OFFICE AND OPERATION

PLAN AND PROCEDURES

HOUSING FINANCE AUTHORITY

OF MARION COUNTY

PO BOX 3102

OCALA FL 34478

EQUAL HOUSING OPPORTUNITY

Introduction

The Housing Finance Authority of Marion County has created in the following pages their Policy and Procedures along with their Standard Operating Procedures/SOP. HFA's complete focus is ***"Increase the Availability of Essential Housing"*** in Marion County while manage their properties to the highest standards. The HFA Board Members are selected and approved by the County Commissioners of Marion County.

Statute 159.03 General powers.—The governing body of any unit in the state is hereby authorized and empowered:

(1) To acquire by purchase or to construct, or partly acquire and partly construct, and to improve, repair, reconstruct, own, operate and maintain any self-liquidating project, or any combination of one or more projects as a single project, either inside or outside or partly inside and partly outside of the boundaries of the corporate limits of such unit; provided, however, that the consent of the adjoining governmental authority must be first obtained before a project may be effected outside the boundaries of the corporate limits of such unit.

(2) To issue revenue bonds of such unit, payable from earnings and any other special funds pledged therefor as provided herein, to pay the cost of a project or improvement thereof.

(3) To fix and collect rates, fees, tolls, rentals or other charges for the services and facilities furnished by such project.

(4) To acquire in the name of the unit, either by purchase or the exercise of the right of eminent domain, such lands and rights and interests therein, including lands under water and riparian rights, and to acquire such personal property, as it may deem necessary in connection with the construction, reconstruction, improvement, extension, enlargement, or operation of any project.

(5) To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this part, and to employ such consulting engineers, attorneys, accountants, construction and financial experts, superintendents, managers, and other employees and agents as may, in the judgment of the governing body, be deemed necessary, and to fix their compensation; provided, however, that all such expenses shall be payable solely from funds made available under the provisions of this part.

(6) To receive and accept from any federal agency grants for or in aid of the planning, construction, reconstruction, or financing of any project, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions may be made.

Housing Finance Authority of Marion County Board of Directors and Others

PH Culver – Chairman

Jon Kurtz – Secretary

Rebecca Lyles – Treasure

Sherri Meadows – Member

Byron Zonin – Member

Keith J Fair – Executive Director

Donnie Mitchell – Grant Manager

Dean Law Office – HFA Legal Council

Samantha Boocock – Accounting

Aracelis Rivera – HFA Staff

Policy for Handling Accounts Payable

HFA has several different vendors and suppliers that are used monthly. When a work order is called into the office, by a tenant, there is an email or text sent out detailing the problem to our Handyman or specialized service company i.e., plumber, septic tank, electrician, A/C, etc. After the repair is completed either a home visit by HFA staff or photos are sent in by the vendor. When the vendor's invoice comes into the office it is reviewed and approved by the Executive Director. The invoice is sent over to the accounting office for payment. The accounting office issues payments twice a month on the 1st and 3rd Thursdays. A copy of the work description and invoice will be placed in the tenant's home file.

Accounts Receivable / Rental Payments

Rental payments are due on the 1st day of each month and are considered past due after the 6th day. There is a $25.00 late fee added to the month rental if the payment is not made before the 6th day of the month. There are several ways for tenants to pay their rent…ACH payments through the bank, personal check, or money order. Each payment is reviewed and recorded by the HFA Staff on a "Monthly Rental Payment" spreadsheet with updates sent to the accounting office bi-monthly. The accounting office handles all the registered monthly ACH payments and the accounting department prepares all the check deposits. There is a separate bank account set up for just rental payments and is handled by the accounting office. Other sources of revenue for the HFA are bank and CD interest, refunds/rebates, and Grant Funding.

Monthly Accounting Records

A 3rd party accounting office oversees the accounting and banking for the HFA. They create monthly reports and financial statements that are presented at the HFA monthly board meeting. Those reports consist of a Balance Sheet, Profit and Loss statements and Accounts Payable / Receivable. The HFA office nor their personal have signature rights to the HFA check books, savings accounts and/or their Certificate of Deposits. There are currently no outstanding bank loans on the HFA books nor loans that the HFA has given to tenants, staff, and/or vendors. There are Federal Deferred Loans at zero interest rate on several of the HFA properties.

Work Order Applications

When the tenant has a problem at their home, they will complete an online work order with detail description of the problem and email it to HFA staff. Then email is sent out by HFA staff detailing the problem to the Handyman or specialized service company i.e., plumber, septic tank, electrician, A/C, etc. After the repair is completed either a home visit by HFA staff or photos are sent in by the vendor. When the vendor's invoice comes into the office it is reviewed and approved by the HFA staff signed by the Executive Director. The invoice is sent over to the accounting office for payment. The completed work order is then placed in the tenant's file.

RFP Applications

When there is a requested rehab home project approved by the HFA Board, then the HFA staff will prepare a Scope of Work for the project. Some examples of rehab projects could be an A/C replacement, plumbing/septic replacements, new roofs, home painting, garage door replacement, and major fire or water damage in the home. HFA will look to use a County contact a list of contractors or advertise in the paper the RFP opportunity. If applicable, HFA will schedule a pre-bid meeting for all the interested parties. The Bid Specs with the Scope of Work are then emailed out to the interested parties along with a timeline to submit their sealed bids. In the Bid Specs there will be an announcement date for the sealed bids to opened and reviewed. HFA staff will have 48 hours to review all the Bids to make sure they meet the outlined requirements. At the next HFA Board meeting the Executive Director will present the chosen Bid to the HFA Board for approval and a vote. After the vote is approved then the contractor will be awarded the project.

Section 8 Tenants

When a potential Section 8 tenant has completed the pre-application then we contact Ocala Housing Authority to confirm the tenant's income and validate the potential tenant has applied and secured a home rental voucher. HFA staff then coordinates with OHA to complete the necessary paperwork to go into a lease agreement with the tenant. HFA staff currently has 14 Section 8/VASH tenants in their homes. OHA submits by ACH the 14 payments on or before the 5th day of the month followed up with an email deposit recap sent to the Executive Director. The 14 payments are then recorded onto the Monthly Rental Payment spreadsheet at the HFA office. HFA has posted the Fair Housing Act posters and follows the state and federal Fair Housing Guidelines.

Petty Cash and Expenses Reports

The HFA Board approved a Petty Cash account of $250.00 to be used for miscellaneous expenses less than $50.00. This account will be established in September 2021 and kept secured in the HFA office. Receipts must be presented to replenish the petty cash account as needed. HFA staff will write up their monthly expense reports with receipts attached and description of the expense. Samantha in accounting will review and submit for payment once approved by the Treasure.

Tenant Files and Computer Software

All HFA Tenant files are stored in legal size file cabinets under lock and key. These files are in a secure location in the HFA office. Current and past Tenant records are stored in these cabinets. The filing system is done by the home address along with the Tenants name. HFA staff are using Microsoft 365 with Word, Excel, Adobe, Power Point and other Windows features and accounting uses Quick Books Pro. Email addresses have been secured through Go Daddy email service.

Homeowners Insurance

Following the RFP Procedures, the HFA sends out an RFP to multiply local insurance companies asking them to participate in the bidding process. All the homes have Dwelling Coverage, Other Structure Coverage, Personal Property Coverage, and Hurricane Damage Coverage. Each policy has additional coverage for water damage, limited fungi coverage, loss assessment coverage, and roof loss settlement coverage. These policies are review and renewed annually.

Emergencies and Holidays

HFA staff are to dress in business casual attire. HFA will follow the State's and County's Hurricane Emergencies plan when applicable. HFA has instructed the tenants on Hurricane preparations and post storm home evaluations. The staff will follow the County's Holiday schedule during the year. Extra days off must be approved by the Chairman of the Board. As independent contractors you schedule your own working times to match the needed workload.

Roles and Responsibilities of the Executive Director

The Executive Director is responsible for overseeing the administration, programs, and strategic plan of the organization. The position reports directly to the HFA Board of Directors. He is also responsible for the overall leadership and management of the HFA, which includes implementing all aspects of its strategic plan, overseeing the Authority's project activities, overseeing day-to-day operations, and representing the HFA to a wide range of internal and external stakeholders. He will drive growth and impactful deliverables and accomplishments in operations, development, and management. This is a fulltime contracted position and is compensated as outlined in his contract. The Executive Director will meet monthly with the Director of Community Services to provide an update on HFA's activities.

Roles and Responsibilities of the Project Grant Manager

The Project Grant Manager is responsible for the overall leadership and management of project activities, rehab, and new construction operations. The Project Grant Manager reports to the HFA board of directors and is responsible for the HFA's strategic funding and operational objectives. The Project Grant Manager is the organization's key funding spokesperson and advocate. He will work with the Executive Director to drive growth and impactful deliverables and accomplishments in operations, development, and management. This is a part time position and is compensated as in his contract.

Roles and Responsibilities of the Property Manager

The property manager will be responsible for communicating with the tenants on the following items:

- Manage all the HFA properties and schedule repairs as needed
- Collect monthly rents from the tenants
- Maintain all the tenant files and HFA files in the office
- Coordinate annual home inspections and lease renewals
- Write up the HFA Board meeting minutes each month
- Manage all the vendor invoices for repairs

Miscellaneous Items

HFA staff are to dress in professional casual attire, dress or work shoes, shirts with collars, dress slacks or nice jeans. HFA staff use their personal vehicles for HFA business and are given a monthly fuel allowance. HFA staff will follow Marion County's holiday schedule during the year. HFA is a member of the CEP in Ocala, Marion County Realtors and Ocala Marion County Builders Association and participates in many of their business functions. HFA staff will travel and attend annual Housing Finance Authority Conferences and will meet frequently with other County's and their Housing Finance Authorities.

HOUSING FINANCE AUTHORITY OF MARION COUNTY
PROPERTY MANAGEMENT POLICIES AND PROCEDURES

ENVIRONMENT OF CARE

Housing Finance Authority of Marion County for future reference will be known as the HFA, will develop and implement an integrated system of occupancy procedures directed at the maximum control of HFA property leasing.

PROCEDURE:

Occupancy

HFA will make every attempt to maintain at least 93% rent up of all available units and use community resources to maintain properties at or above that occupancy. HFA operating cash flow is adversely affected by less than full rent collections, which in turn could affect HFA's ability to provide the purchase of future affordable housing.

Marketing

1. HFA will complete an Affirmative Fair Housing Marketing Plan for the agency.

2. Various means will be used to implement the marketing plan including:
   a. Participant Referrals
   b. Community Presentations
   c. Community Agencies

Fair Housing Access

1. All Federal, State and local Fair Housing Standards and governing laws will be followed. There will be no discrimination regarding race, creed, religion, sex, mental illness, sexual preference, nationality or any other discrimination standard that could be construed to place an unfair burden on any human being.

2. Fair access will be provided to people with physical handicaps wherever economically possible.

3. The Fair Housing Poster will be prominently displayed at the HFA where applications are processed.

4. The Equal Housing Logo will be prominently displayed in all advertising and solicitation for applicants for housing and in each site office.

5. An Affirmative Fair Housing Marketing Plan will be completed on the appropriate government form and posted on the bulletin board at the funded sites.

6. A roster shall be maintained of appropriate public service agencies that may offer financial or other assistance to participants.

7. All tenants will receive a copy of the rental policies and HFA contact information

HOME/NSP/SHIP PROPERTIES

- Rental Selection Criteria
- Participant Program (Admission Criteria)
- Low Income (if applicable)
- Current rent schedule with HUD Approval Letter
- Affirmative Fair Housing Marketing Plan
- Rent Payment/Collection Policy
- Standard Maintenance Charges with HUD approval letter
- Area Income Limits (current year)
- Equal Opportunity Housing Signs
- Office Hours
- Grievance Procedure and Grievance Forms.

Applications

It is HFA policy that all properties will follow the guidelines in the processing and taking of applications from those prospective tenants wishing to rent. Anyone who wishes to reside in one of HFA properties or be placed on the property waiting list must complete a Pre and Full Rental Application and all applicable verifications before a lease can be executed.

1. **Rental Application**

   All applicants will complete a Rental Application, as required by funder, which contains enough information to enable HFA to:

   a. Determine the families' eligibility which includes family size, and household characteristics such as elderly or handicapped status.

   b. Verify income and assets.

   c. Determine whether any family members have disposed of assets at less than fair market value during the previous two years.

   d. Determine the unit size.

   e. Screen applicants - this may include previous landlord information and criminal background information.

The HFA adopted Rental Application may be substituted by an application required by a special funding source.

1. **Resident Selection Criteria and Occupancy Standards**
   All Rental Applications will be processed based upon the order that they are received after approval by the admissions team as outlined in the Admissions Policies and Procedures.

2. Refer to the Policies and Procedures for participants. The following general criteria are applied to all prospective residents in HFA housing.

   a. Occupancy is limited to a single family per unit, 2 persons per bedroom.

   b. Applicants are willing to care for the unit.

   c. Applicants must be willing to abide by the lease provision.

   d. Applicants and the household must have incomes that do not exceed projects'-imposed restrictions on maximum incomes based on funding source.

   e. HFA will maintain all Federal, State and/or local fair housing and civil rights laws, tenant landlord laws and zoning restrictions, along with all Equal Opportunity and nondiscrimination requirements set forth in HUD's administrative procedures.

   f. The following federal preference rule will be followed for HUD funded programs:

      - involuntarily displaced
      - occupying substandard housing and/or
      - Veteran

   g. Applicants must be at least 18 years of age or emancipated minors.

   h. HFA is under no obligation to accept every applicant. HFA is expected to make sound clinical/business judgments.

Verifications

Pursuant to funder's guidelines, HFA must verify that residents are economically eligible to participate in our programs. Pertinent manuals provide additional detail regarding this subject.

HFA

PROPERTY MANAGEMENT POLICIES AND PROCEDURES

Funder	Funds (Program/Location)	
NSP	16900 SW 37th Court, Ocala, FL 34473	Income Qualification Process for SHIP
	3070 SW 177th Place Road, Ocala, FL 34473	
	56 Pecan Drive, Ocala, FL 34472	
	5 Fir Trail Drive, Ocala, FL 34472	
	30 Redwood Trace, Ocala, FL 34472	
	3121 SW 126th Lane Road, Ocala, FL 34473	
	123 Willow Road, Ocala, FL 34472	
	652 Marion Oaks Blvd, Ocala, FL 34473	
	47 Redwood Track Run, Ocala, FL 34472	
	80 Bahia Trace, Ocala, FL 34472	
	18 Juniper Loop Lane, Ocala, FL 34480	
	9703 Bahia Road, Ocala, FL 34472	
	6142 Hemlock Road, Ocala, FL 34472	
	21 Pecan Run Terrace, Ocala, FL 34472	
	19 Pecan Run Radial, Ocala, FL 34472	
	63 Walnut Place, Ocala, FL 34480	
	970 Silver Road, Ocala, FL 34472	
	16384 SW 48th Circle, Ocala, FL 34473	
	15015 SW 24th Circle, Ocala, FL 34473	
	3 Larch Course, Ocala, FL 34480	
	138 Marion Oaks Lane, Ocala, FL 34473	
	15719 SW 52nd Avenue Road, Ocala, FL 34473	
	128 Redwood Road, Ocala, FL 34472	
	102 Redwood Track Course, Ocala, FL 34472	
	14350 SW 79th Avenue Road, Ocala, FL 34473	
	3 Juniper Drive Court, Ocala, FL 34480	
	7455 Hemlock Road, Ocala, FL 34472 22 Oak Circle Pass, Ocala FL. 344723	

Funder	Funds (Program/Location)	
HOME Funding	5485 SE 28th Lane, Ocala FL Duplex 5495 SE 28th Lane, Ocala FL Duplex 19 Pine Course Ocala New Mobile Homes 1379 NW 112th Ave. Ocala #2100-039-008 6799 NW 60th Court Ocala #1303-007-004 6639 NW 61st Court Ocala #1303-004-005 7170 SW 10th Ocala #2331-004-010 3321 SE 132nd Lane Belleview #4154-001-005	
SHIP		Income Qualification Process for SHIP
	Quad Unit	
	1900 SE 40th Street Road "A" Ocala #3120-001-013 1900 SE 40th Street Road "B" Ocala #3120-001-013 1900 SE 40th Street Road "C" Ocala #3120-001-013 1900 SE 40th Street Road "D" Ocala #3120-001-013	

HFA is expected to document initial third-party verifications of eligibility prior to admission.

Information	Form
Rental History	Landlord Verification
	Consent to Release Information/
Income	Social Security Verification
	Employment Verification - Income
	Unemployed Affidavit
	Verification of Termination of Employment
	Verification of Assets - Bank
	Verification of Pension and/or Annuities

Acceptance

A decision regarding the individual's Rental Application must be made within ten (10) working days after receipt of all necessary documentation. If this is not possible, the candidate will be informed, in writing, regarding reason for delay.

If the candidate is accepted and there are no available slots, he or she is placed on the waiting list as documented on the Referral Log and an Acceptance Letter is sent out. When the number of applicants on the waiting list is more than the number of available units, new applicants may be informed that the waiting list is closed.

Waiting List

1. The approval date of the application is noted on the list.

2. The expiration date will be 3-months from the approval date but may be extended an additional 60 days before being removed from the waiting list.

3. The date of re-application is noted when such occurs.

4. Special considerations are listed, such as Federal Preference.

5. When the applicant is notified of availability, that date is placed on the list.

6. The list is purged every 3 months

Rejection of Application

Applicant should be sent the "Reject Letter" listing the reason(s) for the decision.

Leasing

A Lease must be completed prior to move in and release of keys to the tenant. Essential lease elements are:

- the names of the parties entering the lease agreement, usually HFA and the applicant;
- the amount of rent payment and the day or date on which it is due;
- the amount of and reason for late payment charges or penalties if they are charged;
- the method and provisions for increasing and/or adjusting rent payments;
- the terms of deposits which are required and the conditions under which they are returned;
- the utilities and services provided for additional charges and how the charges are determined;
- the equipment provided in the unit;
- the management's obligation to the participant;
- the resident's obligations;
- the method required for either party to terminate the agreement;
- the method for handling legal notices if necessary and the responsibility for costs of any required legal procedures;
- the definition of management's right to enter and/or inspect the unit and the nature and frequency of routine inspections;
- the grievance procedures;
- the method for making amendments to the lease agreement.

1. In the presence of all adult tenants or their representatives, the following must be accomplished:

    1) Review the Lease and record all appropriate signatures and dates. Complete the pre-move-in inspection using the Unit Inspection Report with the tenant present. Make sure that the tenant understands that he/she is responsible to return the premises in like condition, normal wear and tear excepted, when he/she ends tenancy. HFA and tenant both sign the pre-move-in Unit Inspection Report.

2. Collect the security deposit and issue a receipt. Complete Financial Agreement and/or Security Deposit Agreement based upon guidelines for individual programs. Explain to the tenant that the security deposit will be kept in an interest-bearing account and review conditions for its return.

3. Review the House Rules with the tenant and have the tenant sign the rules.

4. Issue keys to the tenant for the dwelling, Explain, to replace lost keys, will be charged at cost, if not clinically contraindicated.

5. Provide copies of the following to the tenant:

    - Lease
    - House Rules
    - Office hours and emergency contact procedure

6. Review and move-in procedures

Interim Re-certification Lease Addendum

The relevant Tenant Certification basically states that as a result of re-certification, the resident's rent will change from what was stated on the original lease. This form constitutes a 30-day notice of "change in rent" which is effective on the first of the month following the 30-day period. This form is used if there has been a change in income/family composition before the anniversary.

1. Complete the name, address and date on the form where indicated.
2. Complete the amount of rent the resident pays.
2. List the new rent for the unit
3. List any subsidy the resident will receive.
4. Indicate the effective date of the new rent and/or subsidy.
5. Have the resident sign and date.
6. Sign the bottom.
7. Provide a copy to the resident with a copy of the re-certification and insert the originals in the Participant File.

Lease Renewal - Lease Amendment

All HFA participants are to have an annual lease renewal. This renewal is executed according to the procedures established by the individual monitoring sources. The

re-certification process should start 60-0 days before the resident's anniversary date and conclude no less than 30 days before the anniversary date.

At each re-certification a new lease or Lease Amendment, must be signed by the resident.

The Lease Amendment form basically states that as a result of their re-certification, their rent has changed to a different amount from what was stated on the original lease. This form constitutes a 30-day notice of "change in rent" which will be effective on the first of the month following the 30-day period.

Lease Enforcement

The Lease is HFA 's legal authority. Effective lease enforcement is essential. Use the Lease to promote:

- Prompt Rent Payment - Rent Payment/Collection Policy must be strictly enforced.

- Property Upkeep - HFA have a responsibility to residents to promote pride in their homes. HFA inspects properties visually on a regular basis and record relevant information on inspection forms and work orders to ensure proper follow-up. On site property management reviews are also part of the funding agency's duties. These agencies will inspect and rate us on an ongoing basis.

Move-Ins

As soon as a Rental Application is approved, HFA begins to prepare for the new resident's actual move-in.

- Inspect unit using Unit Inspection Report.
- Complete extermination, if needed
- Prepare handouts for new resident.
- Prepare Participant File.

Move-Outs

It is HFA's responsibility to work with the tenants to get 30 days' notice as the Lease specifies, to ensure that we do not have unscheduled move-outs.

When the tenant moves:

1) Inspect the unit for work that must proceed re-rent. Complete the move-out section of the Unit Inspection Report.

2) Upon receipt of the intent to vacate, contact the next person on the waiting list until a new resident is identified.

3) Close out Participant File and rental account.

4) Have accounting refund security deposit, plus interest, or transfer appropriate amount due to operating account, based upon charges against the deposit

If articles are left in vacated unit, put in storage for 30 days or until owner of items has been notified and permission to dispose is granted. Cost of this storage can be charged against the security deposit.

Charging for Maintenance Work

1. Each resident that damage to the dwelling unit must be repaired. Each resident will be charged the exact cost of the repair/replacement work caused by tenants' intentional damage or neglect plus labor charges, when clinically appropriate.

2. Maintenance charge records are not to be commingled with rent records.

3. Rent is collected before maintenance charges.

4. Completed Work Orders indicating the labor time involved. Purchase receipt for materials should be forwarded to accounts receivable for invoicing the resident, as applicable

Unit Inspection

All units will be inspected on a regular basis, follows up with participants to ensure that participants have the requisite skills to maintain the residence in an acceptable manner; and that needed repairs are made in a timely fashion.

Quality inspections are a key factor in the quality of our housing, preservation of assets, vacancy and turnover rates.

Evictions

Evictions are a last resort. HFA hopes not to be in a position of having to evict its tenants. When necessary the final remedy is to legally force the resident to move. Refer to Termination and Eviction Policies for full process.

i. To ensure privacy and safety of participants, HFA will request permission to enter, if the participant is present or provide 24-hour notice to enter a room or apartment. A maintenance request or emergency is considered notice to protect property, safety and general well-being. As such HFA must have working keys to each unit and bedroom. If applicable when available, a master key set up will be used. If participant is not present when HFA enters living quarters, a note is left stating purpose of entrance.

Maintenance

The investment that HFA has made in the property it owns while providing a positive living environment and meet the demands of keeping the property occupied and residents satisfied.

PROCEDURE:

Maintenance Schedule

1. When repair work is needed as identified by tenant or HFA inspection, a notification will be completed by HFA.

The following is included:

1. Date when the request was made in the appropriate box. Generally, the work requested first is done first unless an emergency exists or there is a chance of greater property damage with the newest maintenance request.

2. Write in the location of the repair, i.e.,

3. Write the name and phone number of the individual requesting the work.

4. Describe maintenance task and who will be assigned the task, i.e., outside vendor and/or HFA person.

A. Planned/Preventive Maintenance Schedule

Property Management HFA should establish a routine and preventive maintenance schedule. Preventive maintenance helps decrease the cost of emergency maintenance and can improve resident satisfaction. Likewise, maintaining equipment in proper working order is significantly less expensive than the cost of replacing it.

Replacement costs are budgeted in advance.

The manufacturer is the best source for information on the life expectancy of any given item. It is advisable to use extended warranties where the cost of the warranty is far less than the cost of replacing the item over its life expectancy

B. Warranties

The HFA will keep all warranties in a separate file and mark the inventory card with the warranty date. The key to effective use of warranties is twofold. First, ensure that all HFA is aware of warranty items and the importance of correctly using the warranty period. Secondly, before using the warranty, check with the manufacturer to establish the protocol to be used. At times the manufacturer will allow HFA to make repairs and will reimburse HFA upon providing appropriate documentation.

The Program Manager or designee is responsible for the completion of these tasks.

D. Maintenance Inventory

HFA will maintain a management tool that can reduce depreciation expense, aid in both budget and capital budget preparation, and control necessary supply purchases during the year. The result of maintaining appropriate inventory is to better use program funds.

E. Contracting for Work

HFA contracts for work when it can be demonstrated to be the cost-effective means to complete necessary work. The procedure is as follows:

The contractor working on any of HFA homes must get prior permission to make any change before starting.

1. Have evidence that you have solicited at least two written quotes from vendors before you contract for any work that will cost more than $10,000.00. Use Request for Bids.

2. Bids include a description of work and bidder's cost breakdown and total bid price. As appropriate, comments should also include:

   a. The specific place the work is to be done.

   b. The time frame within which the work must be completed.

   c. Any prerequisites regarding material quality.

   d. The amount of the bid.

   e. Any requirements for licenses, insurance, bonding or warranty.

F. Small Disadvantaged Business Enterprises/Minority Business Enterprise MBE or Section 3

HFA will also choose, whenever possible, contractors, subcontractors, vendors, suppliers and providers of service who are, small and/or owned by minority or women business enterprises, including those certified through Marion County's Small Disadvantages Business Enterprises (SDBE).

HFA will include its equal opportunity position for bids and advertising. Additionally, HFA will provide information regarding the Broward county SDBE programs, to current vendors who may be eligible for certification with the program.

EVALUATING THE PROPERTY

All sites will strive for a high state of curb appeal and property management to display full compliance with funding sources requirements.

PROCEDURE:

A. Site Inspections

A walk-through of the property should be done at least once yearly by on site HFA. HFA is responsible for knowing and/or recording the condition of the physical plant at all times. Work Orders are written as needed

B. Performance Reporting

In order to ensure that maintenance costs are captured, HFA records all expenditures of time and material expended for maintenance or maintenance related activities including purchases.

C **Property Management Checklist** will be completed on a regular basis to help ensure that the Property Book is being kept up to date. It will be maintained at the front of the book. Copies will be submitted to the HFA Director periodically as requested.

BY-LAWS OF BOARD OF DIRECTORS

MARION COUNTY HOUSING FINANCE AUTHORITY

ARTICLE I
BOARD OF DIRECTORS

1. Location of Principal Office. The principal office of the Board of Directors of the Housing Finance Authority of Marion County (hereinafter "Board") shall be located in Ocala, Marion County, Florida.

2. Regular and Special Meetings. There shall be at least four (4) regular meetings of the Board per year and special meetings as needed. Special meetings may be called by the Chairman of the Board by providing written notice to all Board members. The regular and special meetings of the Board shall be held at a place to be determined by the Board. Business shall be transacted at regular or special meetings in such order as the Board determines.

3. Quorum. A quorum for the transaction of business at any regular or special meeting of the Board shall consist of a majority of the Board members; however, a majority of those present at any regular or special meeting shall have the power to adjourn the meeting to a future time. Appearance by telephone by a Board member is acceptable to create a quorum.

4. Manner of Voting.

(a) Voting upon all matters coming before the Board shall be by voice vote, unless a vote by roll call shall be demanded by a Board member, in which case, the Secretary shall call the roll and the manner of voting of each member present shall be noted in the minutes. A majority of the Board members present at a meeting shall be required to carry a motion.

(b) Board members shall neither vote nor use their official capacity to influence any measure which would enure to the individual Board member's special private gain in violation of Florida Statutes Section 112.3143. The Board member shall, prior to the vote being taken, publicly state to the Board the nature of the Board member's interest in the matter from which the Board member is abstaining from voting and, within fifteen (15) days after the vote occurs, disclose the nature of the Board member's interest as public record in a memorandum filed with the Secretary, who shall incorporate the memorandum in the minutes of the meeting.

5. Conflicts of Interest. Board members must avoid conflicts of interest and must adhere to the standards of conduct contained in Florida Statutes Section 112.313 in carrying out their duties as Directors.

6. Vacancies. Should a Board member resign or otherwise vacate membership on the Board, the vacancy shall be filled pursuant to Florida law.

ARTICLE II
OFFICERS

1. Election. The Board shall, at its annual meeting in July of each year, elect one (1) of its members as Chairman, (1) as Secretary and (1) as Treasurer.

2. Vacancies. Should any officer of the Board resign from office, the vacancy created in the office shall be filled pursuant to an election by the Board of another of its members to said office to serve until the next succeeding annual meeting of the Board.

3. Duties.

(a) The Chairman of the Board shall preside at all meetings of the Board and shall perform such other duties as may be set forth in the By-Laws and as are incident to the Chairman's office.

(b) The Treasurer shall ensure that complete books of account of financial affairs of the Board are kept as required by these By-Laws and that complete and detailed statements of these financial affairs are published and made available.

(c) The Secretary shall be responsible for the proper issuance of notices of meetings of the Board as such notices are required by these By-Laws, shall maintain complete and accurate minutes of all proceedings of the Board as required by Article III of these By-Laws, shall attend to all correspondence of the Board and shall perform such other duties, functions and obligations as may be directed by the Board.

ARTICLE III
MINUTES

The Board shall cause true and accurate written minutes to be kept of all business transacted by the Board and shall keep full, true and complete books of account.

ARTICLE IV
DEPOSITORIES AND DISBURSEMENTS

1. Disbursements. The funds of the Board shall be paid out only upon warrants signed by the Chairman.

2. Travel Expenses. Travel expenses may be paid to Board members as authorized by law, and, in some special cases, the Board may authorize actual expenses incurred.

ARTICLE V
BOARD COMMITTEES

The Board shall have the authority to establish such committees as may be needed from time to time as determined by the Board, including advisory committees of persons to consult with the Board on matters to be determined by the Board. The Chairman of the Board shall appoint the committees and designate a Chairman of the committee.

ARTICLE VI
RULES AND REGULATIONS

Information on the business affairs of the Board shall be a matter of public record in accordance with Florida law. All meetings of the Board shall be conducted in accordance with the notice and open government meetings requirements of Section 286.011, Florida Statutes.

ARTICLE VII
AMENDMENTS

Amendments of these By-Laws may be made by a majority vote of Board members, provided such majority consists of not less than four (4) Board members and the proposed amendments have been presented for consideration by the Board either at a prior meeting or through the mail to each Board member not less than five (5) days prior to the final vote on the amendments.

ARTICLE VIII
THE ACT

In exercising any of the authorities or duties given to the Board by these By-Laws, the Board shall be guided by the provisions contained in Chapter 159.608, Florida Statutes creating the Board and defining the details of procedure and other requirements or limitations pertaining to the Board's authorities and duties.

The foregoing By-Laws were duly adopted by the Board at a meeting held on this 18 day of July, 2001.

Rusty Branson, Chairman, Board of Directors

Mitzi Perry, Secretary

RESOLUTION OF THE MARION COUNTY HOUSING FINANCE AUTHORITY DESIGNATING A CHAIRMAN, SECRETARY AND TREASURER, PROVIDING AN EFFECTIVE DATE

BE IT RESOLVED, by the Marion County Housing Finance Authority:

Section 1. On this 14th day of September, 2004, in public meeting the Authority officially takes action to designate the following of their membership as Chairman, Secretary and Treasurer of the Authority.

Chairman RUSTY BRANSON

Secretary MIGZI PERRY

Treasurer TOM McDONALD

Section 2. The Chairman, Secretary and Treasurer shall each hold their respective designated offices commencing September 14, 2004 and ending August 31, 2005, or until their membership terms expire, whichever shall occur first, and shall perform the duties and responsibilities normally associated with their respective offices, and as may be determined from time to time by the Authority.

Section 3. The above officers are hereby authorized to endorse or sign all notes, checks or drafts payable to the Authority and deposited to the Authority's account(s); and to withdraw funds from said accounts as necessary to pay expenses of the Authority. Two signatures are required for Authority checking transactions.

Section 4. This resolution shall take effect September 14, 2004.

Duly adopted this 14th day of September, 2004.

MARION COUNTY HOUSING FINANCE AUTHORITY

By: _____
Chairman

By: _____
Secretary/Treasurer

(SEAL)